

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2061 - HB 2004

April 9, 2014

SUMMARY OF ORIGINAL BILL: Requires that an amount of \$1,000,000 be provided to the beneficiary of any emergency medical service worker or a 911 operator who is killed in the line of duty. To receive such sum, the EMS worker or operator must have been current in required training and physical exams when the incident occurred. Such payment shall be made from the General Fund after the Department of Finance and Administration receives a certified death certificate and affidavit from the decedent's employer that such decedent was killed in the line of duty. Increases the current death benefit, from \$25,000 to \$1,000,000, for any firefighter, volunteer firefighter, or law enforcement officer who is killed in the line of duty and is current in required training and any necessary physical exam at the time the incident occurs. Requires the Department of Finance and Administration to create a reserve fund for the purpose disbursing death benefits. Any funds remaining in the fund at fiscal year-end will carry over to the following year and will not revert to the General Fund. This bill will take effect on July 1, 2014.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$5,950,000/Death Benefit Fund

Increase State Expenditures - \$5,950,000/General Fund
\$2,950,000/Death Benefit Fund

SUMMARY OF AMENDMENTS (013503, 014507): Specifies that the death benefit will remain at \$25,000 for any firefighter, volunteer firefighter, or law enforcement officer who is killed in the line of duty. Expands such death benefit amount (\$25,000) to any emergency medical service worker or operator who is killed in the line of duty. Removes requirement specifying that the Department of Finance and Administration must create a reserve fund for the purpose of disbursing death benefits. Removes language specifying that any funds remaining from such fund be carried over to the following year and not revert to the General Fund.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Expenditures - \$2,500/General Fund

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Assumptions for the bill as amended:

- Amendment 014507 removes language requiring the Department of Finance and Administration's to create a fund and make disbursements from such fund, pursuant to this act. The increased disbursements of death benefits will be made from the General Fund. Any amount unspent at year-end will revert back to the General Fund.
- The bill asserts that any death benefit for an EMS worker or a 911 operator will be paid from the general fund, but does not include the source of such benefit for firefighters, volunteer firefighters or police officers.
- According to the Department of Commerce and Insurance (DCI), the current budgets of the Peace Officer Standards Commission (POST) and the Fire Prevention Division include death benefit amounts for 4 law police officer or \$100,000 (4 officers x \$25,000) and \$50,000 (\$2 x \$25,000) for 2 firefighter benefits per year, for a total of \$150,000. Currently, any unused amount of the Commission or Division reverts back to the General Fund at years end. This bill will have no impact upon the death benefit currently provided to the beneficiaries of a firefighter, volunteer firefighter, or law enforcement officer who is killed in the line of duty.
- It is estimated that one EMS worker or one 911 operator will be killed in the line of duty every 10 years, resulting in an increase in state expenditures of \$25,000. Annualized, this is an increase in approximately \$2,500 in state expenditures per year (\$25,000 / 10 years).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/jdb